

**AIICO Insurance Plc – H1 2025 Unaudited Results**

NGX Ticker: AIICO; Bloomberg Ticker: AIICO NL; Reuters: AIICO.LG

RC: 7340

**PRESS RELEASE**

Regulated Information

**AIICO Reports 34.0% growth in insurance revenue to ₦65.4 billion in H1 2025.**

Lagos, 5 August 2025 – AIICO Insurance Plc (“AIICO”, or “the Group”) announced its unaudited results for the interim period ended 30 June 2025.

**Key Financial Highlights**

	Group			Parent			H1 Forecast	
	30-Jun-25	30-Jun-24	Δ	30-Jun-25	30-Jun-24	Δ	30-Jun-25	Δ
Amounts in millions unless otherwise stated.								
Gross premium written	102,682	87,423	17.5%	101,520	86,923	16.8%	114,864	-10.6%
<b>Insurance Revenue</b>	<b>65,425</b>	<b>48,814</b>	<b>34.0%</b>	<b>64,263</b>	<b>48,196</b>	<b>33.3%</b>	<b>67,157</b>	<b>-2.6%</b>
Insurance Service Expense	(40,587)	(35,987)	-12.8%	(40,068)	(35,675)	-12.3%	(50,480)	-19.6%
<i>FX Effect on Outstanding claims</i>	<i>151</i>	<i>(2,814)</i>	<i>105.4%</i>	<i>151</i>	<i>(2,814)</i>	<i>105.4%</i>	-	
Insurance service result from insurance contracts issued	24,989	10,013	149.6%	24,346	9,706	150.8%	16,677	49.8%
Net Expenses from reinsurance contracts	(17,607)	(8,254)	-113.3%	(17,607)	(8,254)	-113.3%	(9,999)	76.1%
<b>Insurance service result</b>	<b>7,381</b>	<b>1,758</b>	<b>319.8%</b>	<b>6,739</b>	<b>1,452</b>	<b>364.2%</b>	<b>6,679</b>	<b>10.5%</b>
<b>Insurance underwriting margin</b>	<b>11.3%</b>	<b>3.6%</b>		<b>10.5%</b>	<b>3.0%</b>		<b>9.9%</b>	<b>13.4%</b>
Net Investment income before fair value changes	27,601	18,435	49.7%	21,722	15,809	37.4%	23,521	17.3%
Loss on investment contracts	(216)	(352)	38.6%	(216)	(352)	38.6%	(15)	1330.0%
Net fair value gain/(loss)	4,884	(11,727)	141.6%	4,575	(11,716)	139.1%	(7,874)	-162.0%
Net insurance/reinsurance finance expenses	(20,749)	(1,711)	-1112.8%	(20,749)	(1,711)	1112.8%	(14,490)	43.2%
Net FX Gain/(loss)	(139)	10,854	-101.3%	(129)	10,714	-101.2%	(18)	651.0%
<b>Net insurance and investment result</b>	<b>18,762</b>	<b>17,258</b>	<b>8.7%</b>	<b>11,942</b>	<b>14,196</b>	<b>-15.9%</b>	<b>7,802</b>	<b>140.5%</b>
Other Income	1,107	778	42.3%	723	557	29.9%	884	25.3%
Other Expenses*	(7,389)	(3,660)	-101.9%	(776)	(650)	-19.3%	(481)	1436.4%
<b>Profit before income tax</b>	<b>12,480</b>	<b>14,376</b>	<b>-13.2%</b>	<b>11,890</b>	<b>14,103</b>	<b>-15.7%</b>	<b>8,205</b>	<b>52.1%</b>
<b>Normalized Profit before taxes excluding one-off items</b>	<b>12,468</b>	<b>6,337</b>	<b>96.8%</b>	<b>11,868</b>	<b>6,203</b>	<b>91.3%</b>	<b>8,223</b>	<b>51.6%</b>
Tax expenses	(1,211)	(1,421)	14.8%	(1,189)	(1,410)	15.7%	(820)	47.6%
<b>Profit for the period</b>	<b>11,270</b>	<b>12,955</b>	<b>-13.0%</b>	<b>10,701</b>	<b>12,692</b>	<b>-15.7%</b>	<b>7,384</b>	<b>52.6%</b>
<b>Normalized Profit for the period excluding one-off items</b>	<b>11,259</b>	<b>5,710</b>	<b>97.2%</b>	<b>10,681</b>	<b>5,583</b>	<b>91.3%</b>	<b>7,401</b>	<b>52.1%</b>
Total other comprehensive income	619	1,248	-50.4%	633	362	75.2%	-	
<b>Total comprehensive income for the period</b>	<b>11,888</b>	<b>14,202</b>	<b>-16.3%</b>	<b>11,334</b>	<b>13,054</b>	<b>-13.2%</b>	<b>7,384</b>	<b>61.0%</b>
<b>Normalized Total comprehensive income for the period</b>	<b>11,877</b>	<b>6,958</b>	<b>70.7%</b>	<b>11,315</b>	<b>5,944</b>	<b>90.3%</b>	<b>7,401</b>	<b>60.5%</b>
Basic and diluted earnings per share (kobo)	30	35						

\*Other expenses are non-attributable overheads. Overheads attributable to insurance operations are included in Insurance service expenses.

Figures in this release are subject to rounding differences.

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Commenting on the results, Mr. Babatunde Fajemirokun, the Managing Director and Chief Executive Officer said, “Our priorities in the second quarter remain clear — focused execution, disciplined capital and risk management, and building resilience against market uncertainties. Insurance revenue rose 34% to ₦65.4 billion; notably, normalized profit before taxes excluding FX effects increased by 96.8% year-on-year to ₦12.5 billion from ₦6.3 billion in H1 2024. This performance reflects both operational momentum and improved risk-adjusted earnings, supported by higher insurance service margins of 11.3%, up from 3.6% in the prior year — a sign of sustainable quality growth.”

**Group Performance Review**

- Group revenues increased 34.0% year-on-year to ₦65.4 billion (H1 2024: ₦48.8 billion). Premiums written grew 17.5% year-on-year to ₦102.7 billion (H1 2024: ₦87.4 billion).
- Insurance service results improved to ₦7.4 billion in H1 2025 (H1 2024: ₦1.8 billion), driven by improved pricing and optimized reinsurance.
- While profits before taxes declined, normalized profits excluding one-off items like FX gains increased 96.8% to ₦12.5 billion in H1 2025 (H1 2024: ₦6.3 billion). Normalized profit after tax also increased 97.2% in H1 2025 to ₦11.3 billion (H1 2024: ₦5.7 billion). Profits in 2024 were affected by a net FX gain of about N10.9 billion compared to a loss of ₦139 million in H1 2025.
- The normalized return on equity for the period is 33.5% (annualized). (ROE)
- Group earnings beat our forecasts for the period by 52.6%, while revenues were 10.6% below projections. Actual normalized profits exceeded expectations by 52.1%.

**Segment Performance**

H1 2025 (Millions of Naira)	Insurance revenue	Insurance result	Investment result	Profit before taxes	Profit after taxes	Normalized profit after taxes
Life Insurance	31,855.9	4,153.6	3,961.9	7,940.3	7,146.3	7,178.1
General insurance	32,407.1	2,585.4	1,241.2	3,949.4	3,554.5	3,503.0
Asset Management	-	-	477.4	216.5	194.8	204.6
Health Maintenance	1,162.1	642.4	70.4	373.8	373.8	373.8
H1 2024 (Millions of Naira)	Insurance revenue	Insurance result	Investment result	Profit before taxes	Profit after taxes	Normalized profit after taxes
Life Insurance	23,869.2	2,323.2	3,611.0	5,699.4	5,129.5	3,044.6
General insurance	24,326.4	(871.5)	9,133.6	8,403.5	7,563.1	2,538.2
Asset Management	-	-	129.5	219.1	208.0	68.3
Health Maintenance	618.1	306.6	46.6	54.0	54.0	54.0
H1 2025 vs H1 2024	Insurance revenue	Insurance result	Investment result	Profit before taxes	Profit after taxes	Normalized profit after taxes
Life Insurance	33.5%	78.8%	9.7%	39.3%	39.3%	135.8%
General insurance	33.2%	396.7%	-86.4%	-53.0%	-53.0%	38.0%
Asset Management			268.6%	-1.2%	-6.3%	199.3%
Health Maintenance	88.0%	109.5%	51.0%	592.4%	592.4%	592.4%

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### ***Life Insurance***

- Insurance revenue increased 33.5% year on year to ₦31.9 billion (H1 2024: ₦23.9 billion) driven by growth in our ordinary life and group life businesses.
- Insurance service results also increased 78.8% to ₦4.2 billion in H1 2025 (H1 2024: ₦2.3 billion).
- Investment results increased 9.7% year-on-year; however, these were impacted by unrealized foreign exchange gains of ₦35.3 million in H1 2025 vs ₦2.3 billion in H1 2024.
- While profits before and after taxes increased by 39.3% year on year, normalized profits from the life business increased 135.8% in H1 2025 to ₦7.2 billion (H1 2024: ₦3.0 billion).

### ***Non-life Insurance***

- Insurance revenue increased 33.2% to ₦32.4 billion in H1 2025 (H1 2024: ₦24.3 billion) driven by expansion across all major product lines.
- Insurance service results also increased 397% in H1 2025 to ₦2.6 billion from a loss of (H1 2024: ₦871.5 million) driven by cost reflecting pricing and optimized reinsurance.
- Investment results declined year-on-year due largely to the effect of FX gains of about ₦8.3 billion in H1 2024 (H1 2025: ₦93.8 million loss). Net insurance finance expenses also increased 179.6% to ₦1.3 billion (H1 2024: ₦451.6 million).
- Normalized profits Increased by about 38.0% to ₦3.5 billion in H1 2025 (H1 2024: ₦2.5 billion) due largely to improved insurance service results despite high inflation. Reported profits were ₦3.6 billion vs ₦7.6 billion in H1 2024.

### ***AIICO Multishield***

- Insurance revenue increased 88.0% in H1 2025 to ₦1.2 billion (H1 2024: ₦618.1 million) and insurance service results increased 109.5% to ₦642.4 million (H1 2024: ₦306.6 million)
- Investment results also increased 51% to ₦70.4 million in H1 2025 (H1 2024: ₦46.6 million) leading to a year-on-year increase in profits after taxes of 592.4% in H1 2025 to ₦373.8 million (H1 2024: ₦54.0 million)
- This profit was driven by improved efficiency across the business – while insurance service margins remained at 55%, its expense ratio declined to 44.7% from 50.4%.

### ***AIICO Capital***

- Investment results increased 268.6% year on year to ₦477.4 million (H1 2024: ₦129.5 million) despite the current high-interest rate environment that has elevated costs of deposit funds.
- Cost-to-net income ratio remains elevated due to expansion activities, rising to 101.2% from 96.9% in H1 2024. We expect that this will reduce as the business gains a foothold in these regions.
- Profits before and after taxes declined 1.2% and 6.3% in H1 2025 to ₦216.5 million and ₦194.8 million respectively. (H1 2024: ₦219.1 million and ₦208.0 million respectively).

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**Outlook**

- U.S. inflation rose to 2.7% in June, with tariff-related costs driving higher consumer goods prices—pushing Treasury yields higher and prompting market caution around the Fed’s next rate decision.
- This could continue to pressure the Naira, potentially prompting higher yields on government instruments to remain competitive with global rates.
- The CBN held the MPR at 27.50%, reflecting a cautious approach as inflationary pressures persist.
- AIICO Insurance remains focused on navigating today’s complex environment with a balanced approach to risk and capital management. This enables us to preserve financial strength while consistently adapting to our customers’ evolving needs and maintaining stability across market cycles.

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### **Definition of terms**

**Insurance service revenue** refers to revenue earned for the year being reported. It is an amortization of unearned revenue liability that is assumed when premiums are paid.

**Insurance service expense** reflect the costs incurred in providing services for the year being reported.

**Net expenses from reinsurance contracts** reflect the differences between the expected claims recovered from reinsurance and the actual amounts recovered from reinsurance including the costs of reinsurance coverage which is the expected profit a reinsurer makes from a reinsurance contract.

**Net insurance finance income (expense)** reflects the financial effect of the time value of money on unearned premiums. It also includes the effect on the carrying amount of insurance contracts of some changes in financial assumptions such as discount rates.

**Net finance income from reinsurance contracts** refers to the financial effect of the time value of money on unearned premiums.

**Investment income** refers to income from policyholders' funds, annuity funds and shareholders' funds as well as investment income from asset management activities.

**Profit before tax** refers to underwriting profit (loss), personnel expenses, other operating expenses, finance cost, and impairment loss less investment income, profit from deposit administration, net realized gains, net fair value gains, and other operating income.

**Profit after tax** refers to profit before tax less income tax.

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### **About AIICO Insurance Plc**

AIICO Insurance Plc (NGX: AIICO) is a leading composite insurer in Nigeria with a record of accomplishment of serving our clients that dates back over 50 years. Founded in 1963, AIICO provides life and health insurance, general insurance, and investment management as a means to create and protect wealth for individuals, families and corporate customers.

The Life Insurance segment offers savings, protection products and other long-term contracts (both with and without insurance risk). It comprises a wide range of whole life, term assurance, guaranteed pensions, pure endowment pensions and mortgage endowment products. Revenue from this segment is derived primarily from insurance premium, fees and commission income and investment income.

The General Insurance segment comprises general insurance to individuals and businesses. General insurance products offered include auto, household, commercial and business interruption insurance. These products offer protection of policyholder's assets and indemnification of other parties that have suffered damage as a result of policyholder's accident.

The Health segment is a Health Maintenance Organization for prepaid health plans to cater for the health needs of individuals and corporate organizations. The segment became a full subsidiary of AIICO Insurance Plc on July 1, 2012.

The Asset Management segment is registered and licensed by the Securities & Exchange Commission in 2012, to carry out portfolio/fund management services. The segment commenced full operations in 2014 through the provision of bespoke wealth solutions for clients, by adopting a research-based approach for every investment decision. The segment offers portfolio management services, structured investments and mutual funds to suit the investment needs of corporate and individual clients.

For more information visit <https://www.aiicopl.com/index.php/about-us/our-company/about-aiico>

### **Disclaimer**

This announcement contains or will contain forward-looking statements which reflect management's expectations regarding the Company's future growth, results of operations, performance, business prospects and opportunities. Wherever possible, words such as "anticipate", "believe", "expects", "intend" "estimate", "project", "target", "risks", "goals" and similar terms and phrases have been used to identify the forward- looking statements. These statements reflect management's current beliefs and are based on information currently available to management. Certain material factors or assumptions have been applied in drawing the conclusions contained in the forward-looking statements. These factors or assumptions are subject to inherent risks and uncertainties surrounding future expectations generally. AIICO Insurance Plc cautions readers that several factors could cause actual results, performance or achievements to differ materially from the results discussed or implied in the forward-looking statements. These factors should be considered carefully, and undue reliance should not be placed on the forward-looking statements. For additional information with respect to certain of these risks or factors, reference should be made to the Company's disclosure materials filed from time to time with Securities & Exchange Commission in Nigeria. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether because of new information, future events or otherwise.